BLACKLINE

MODERNIZING THE WAY ACCOUNTING & FINANCE WORK

February 2019

SAFE HARBOR

This presentation contains forward-looking statements. These statements may relate to, but are not limited to, expectations of future operating results or financial performance of BlackLine, Inc. (“BlackLine” or the “Company”), the calculation of certain key financial and operating metrics, capital expenditures, introduction of new solutions or products, expansion into new markets, regulatory compliance, plans for growth and future operations, technological capabilities, and strategic relationships, including our relationship with SAP, as well as assumptions relating to the foregoing. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “could,” “expect,” “plan,” anticipate,” “believe,” “estimate,” “predict,” “intend,” “potential,” “would,” “continue,” “ongoing” or the negative of these terms or other comparable terminology. You should not put undue reliance on any forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all.

Forward-looking statements are based on information available at the time those statements are made and/or management’s good faith beliefs and assumptions as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward looking statements. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements. These risks and uncertainties are described in greater detail under the heading “Risk Factors” in the filings we make with the Securities and Exchange Commission (“SEC”) from time to time, which are available on our website at http://investors.blackline.com and on the SEC’s website at www.sec.gov. Except as required by law, BlackLine does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this presentation, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

In addition to U.S. GAAP financials, this presentation includes certain non-GAAP financial measures, including non-GAAP revenue, gross profit, gross margin, free cash flow, sales and marketing expense, research and development expense, general and administrative expense, loss from operations and operating margin (loss). These non-GAAP measures are in addition to, not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. The non-GAAP financial measures we use may differ from the non-GAAP financial measures used by other companies. A reconciliation of these measures to the most directly comparable GAAP measure is included in the Appendix to this presentation.

BLACKLINE HIGHLIGHTS

- **Modernizing Accounting and Finance with 100% SaaS-Based Platform**
- **Award Winning Solutions with Strong Culture of Innovation**
- **Global, Diverse Customer Base with Demonstrated Expansion Opportunities**

30%
FY2018 REVENUE GROWTH[1]

108%
DOLLAR-BASED NET REVENUE RETENTION (at 12/31/2018)

~$18B
TOTAL CORE ADDRESSABLE MARKET[2]

[1] Non-GAAP Revenue growth rate on ASC 606 standard
[2] Source: Frost and Sullivan/ 2018 TAM for Core Products

WHAT WE DO

The Financial Close is a recurring process that transforms raw data into the audited financials that investors and senior management review. Today these functions are typically performed in widely dispersed disconnected spreadsheets.

BlackLine's cloud platform gives accountants

Deep Automation

Strong Internal Controls

Real-Time Visibility

ACCELERATING CHALLENGES FOR KEY BUSINESS FUNCTIONS

Increasing Regulatory Scrutiny

SOX Compliance | COSO Framework | BEPS | IRS Section 385

Rising Business Complexity

M&A | Globalization | Transfer Pricing Agreements | Disparate IT Investments

Expectation of Accuracy & Real-Time Data

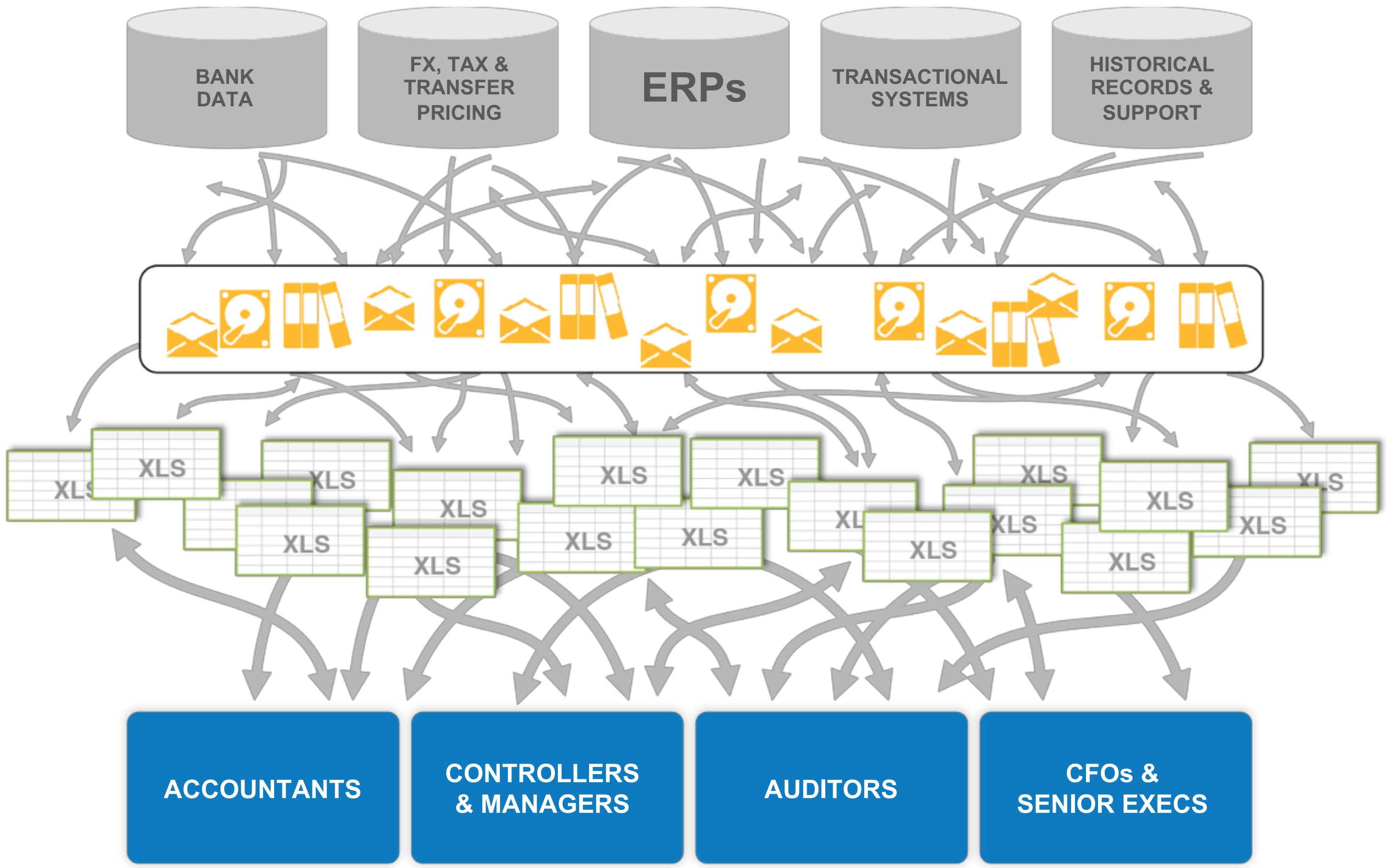
Automation | Robotics | Business Intelligence | Agile Decision-making

Exponentially Growing Data Volume

Unstructured Information | System Interoperability | Big Data

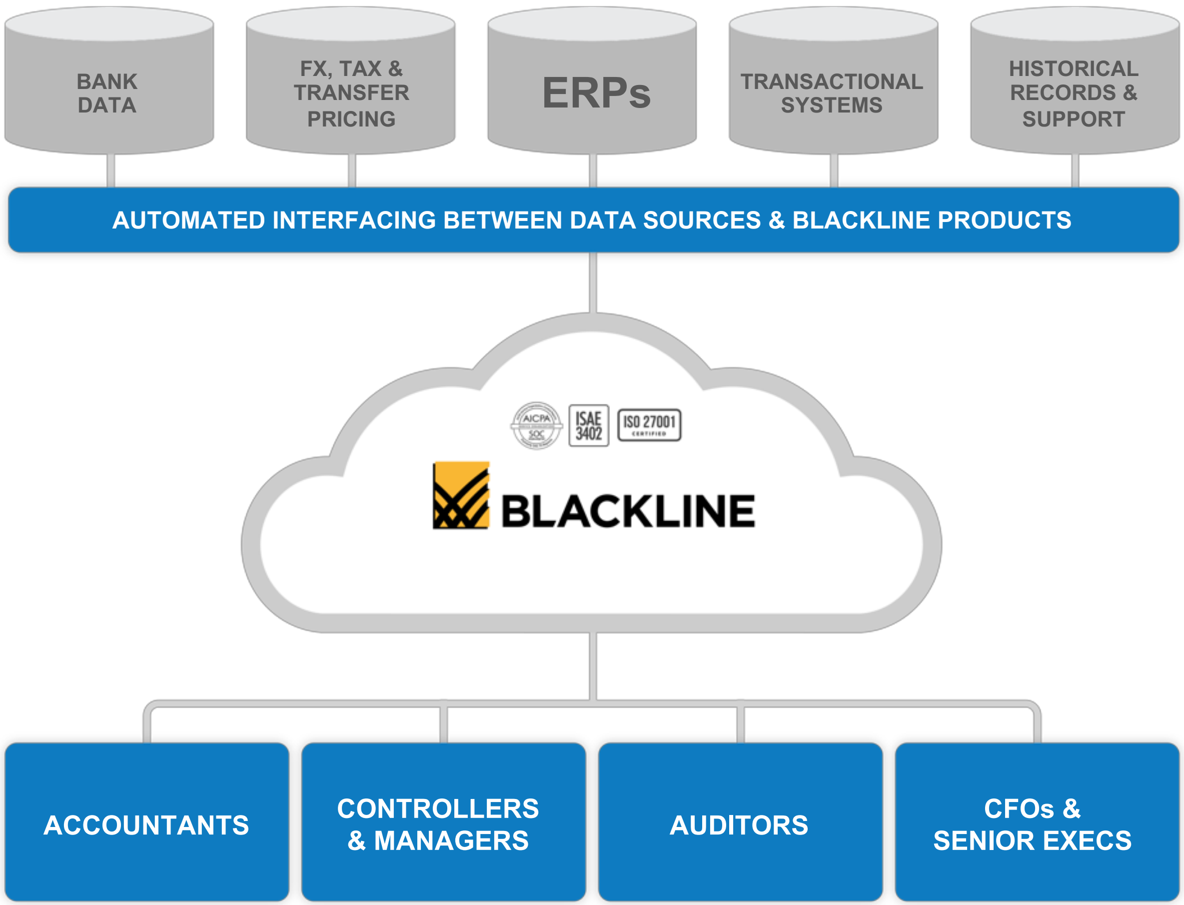
"A single number on a corporate balance sheet is often the composite of millions of transactions, dozens of manual corrections and reviews and workflows handled by multiple people."

CURRENT METHODS ARE INEFFICIENT AND ERROR PRONE

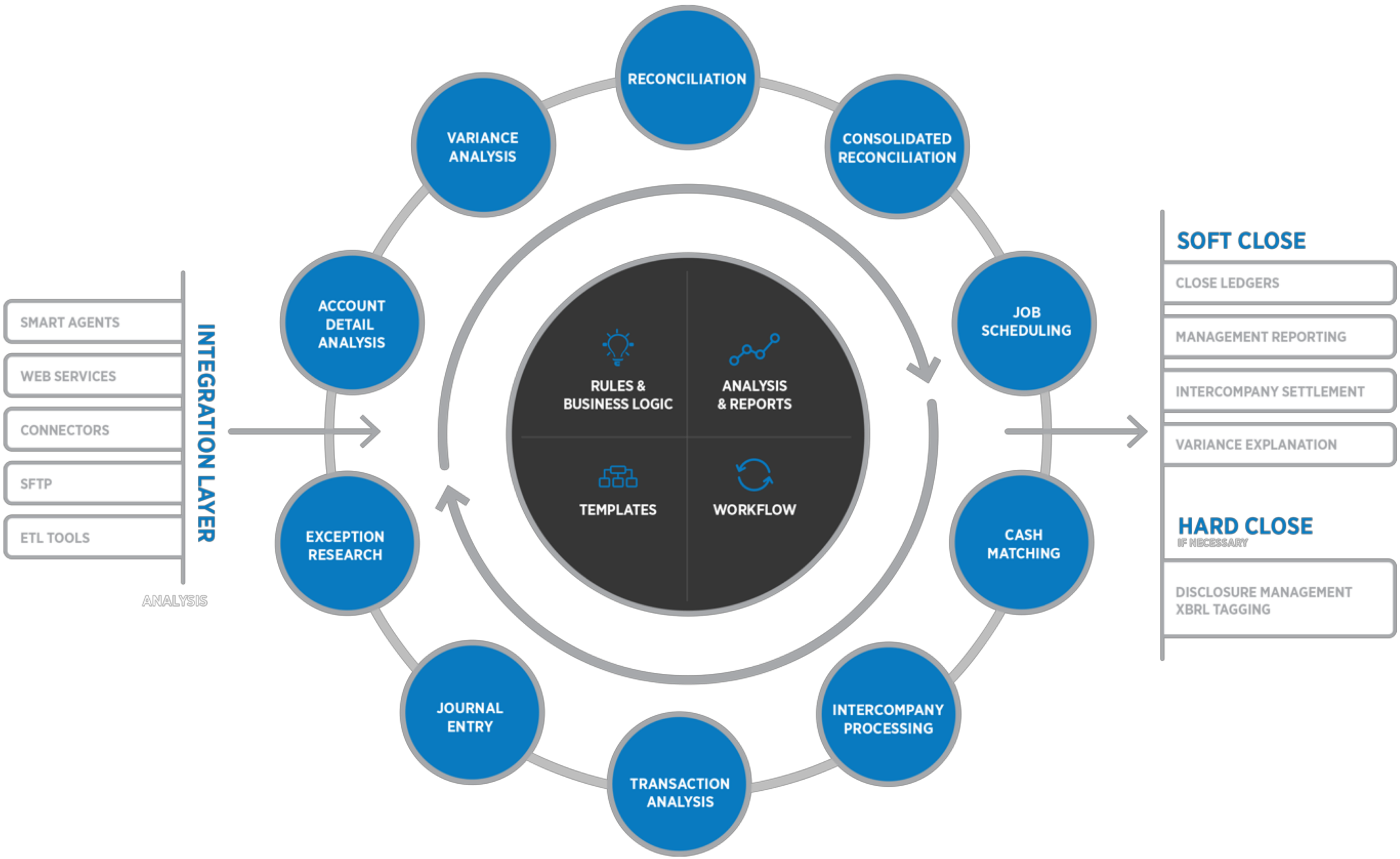


BLACKLINE

BLACKLINE TRANSFORMS THE FINANCIAL CLOSE



THE FUTURE IS CONTINUOUS ACCOUNTING



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CONTINUOUS ACCOUNTING JOURNEY

4
TRANSFORMATION
Intercompany Hub
Smart Close

3
ADVANCED RECORD–TO–REPORT
Transaction Matching
Journal Entry

2
INTERNAL CONTROLS
Variance Analysis
Compliance

1
MODERNIZED RECORD–TO–REPORT
Account Reconciliations
Task Management

PLATFORM ELEMENTS

- APIs & Connectivity Platform
- Enterprise-class Security
- Reporting, Data Visualization, and Benchmarking Tools
- Unified, Privately Hosted, ERP-Agnostic Cloud Platform
- Machine Learning

BLACKLINE

SIGNIFICANT MARKET OPPORTUNITY

165K
GLOBAL TARGET COMPANIES[1]

2,600+
BLACKLINE CUSTOMERS (at 12/31/18)

13M
GLOBAL F&A PROFESSIONALS[1]

222,000+
BLACKLINE USERS (at 12/31/18)

~$18B
CORE GLOBAL MARKET BY 2018[1]

~$228M[2]
BLACKLINE REVENUE (FY18)

[1] Source: Frost and Sullivan/ 2018 TAM for Core Products
[2] Non-GAAP Revenue; 2018 under ASC 606 standard
see Appendix for GAAP financial measures and reconciliations

STRENGTH ACROSS GEOGRAPHIES, SECTORS & SIZES

CONSUMER & RETAIL	TECHNOLOGY	INDUSTRIAL & ENERGY	HEALTHCARE	SERVICES	FINANCIAL SERVICES
Coca-Cola	AUTODESK	centrica	ALLIANCE HEALTHCARE SERVICES	BRINKS	Russell Investments
COSTCO WHOLESALE	Go Daddy	HUBBELL	Shire	Kempinski	RSA
HERSHEY THE HERSHEY COMPANY	zendesk	Kimberly-Clark	DaVita	Orange Lake	SunTrust
Under Armour	Linde	Johnson Controls	Ascension	SiriusXM	UBT Union Bank & Trust

222,000+
Finance End-Users

2,600+
Global Customers

Note: As of 12/31/2018

APPEAL ACROSS THE ENTIRE ORGANIZATION

CFOs & SENIOR EXECS

- Greater confidence and visibility in financial reporting
- Increased compliance with regulations such as Sarbanes-Oxley
- Reduced head counts and increased strategic focus

CONTROLLERS & MANAGERS

- Lives with manual close processes
- Directly responsible for quality

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AUDITORS

- Electronic access to remote reconciliations
- PBC lists maintained in BlackLine
- Clear communication channel

ACCOUNTANTS

- Automation completes rote work
- More time for value-add analysis
- Proactive alerting

GO TO MARKET APPROACH

~$18B

GLOBAL MARKET[2]

13M Finance & Accounting Professionals[1]

Direct Sales Force

Enterprise: >$500M

Mid-Market[1]: $50M – $500M

Partner Ecosystem

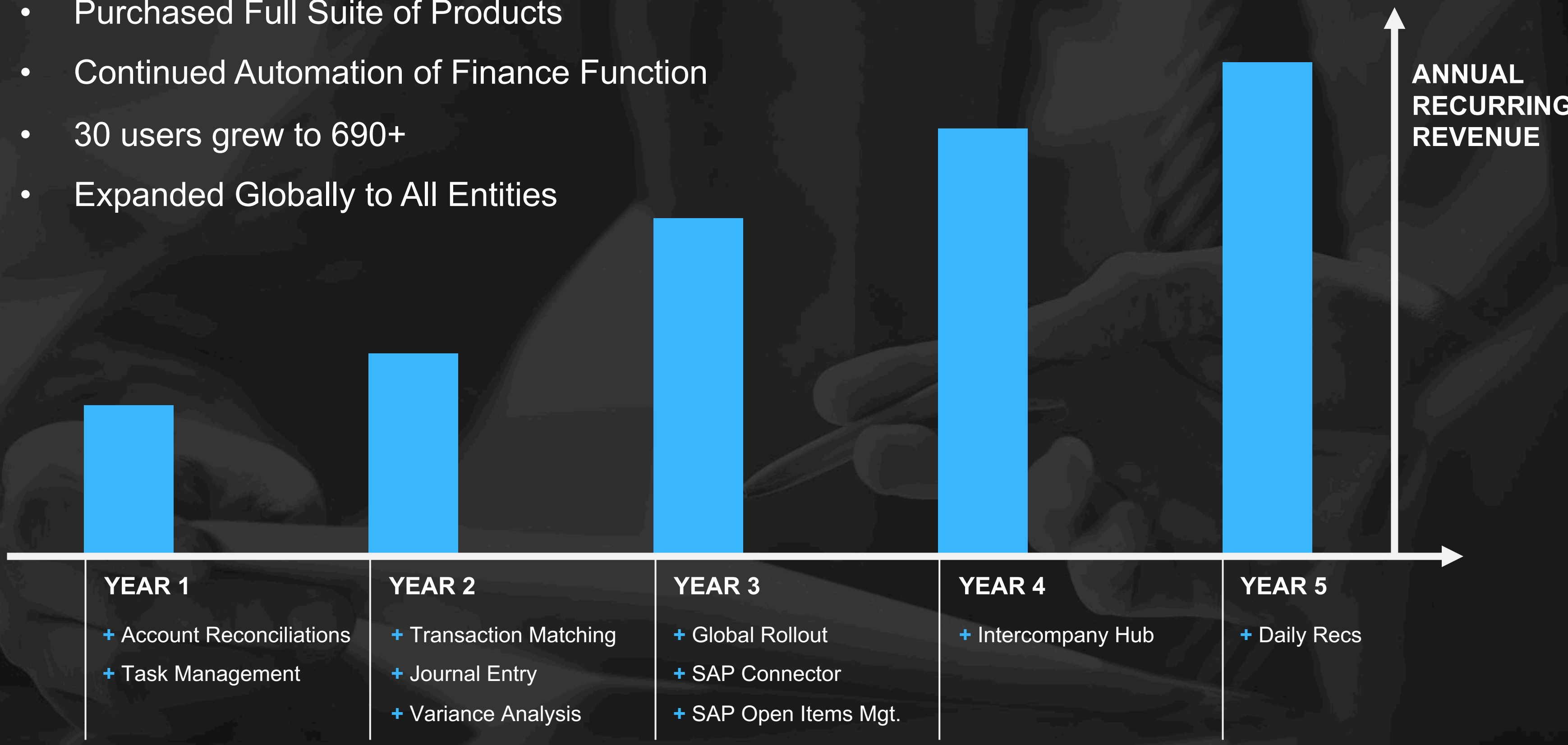
- Consulting Firms
- ERP Providers
- BPO Services
- Channel Partners

[1]Mid-Market is defined as customers that generally have $500 million of annual revenue or less. From time to time, the Mid-Market sales team will target customers with up to $750 million. We use these internal general revenue thresholds as a means to allocate opportunities amongst our Mid-Market and Enterprise sales teams. [2] Source: Frost and Sullivan/ 2018 TAM for Core Products

PROVEN LAND & EXPAND

Customer Adoption Example

- Purchased Full Suite of Products
- Continued Automation of Finance Function
- 30 users grew to 690+
- Expanded Globally to All Entities



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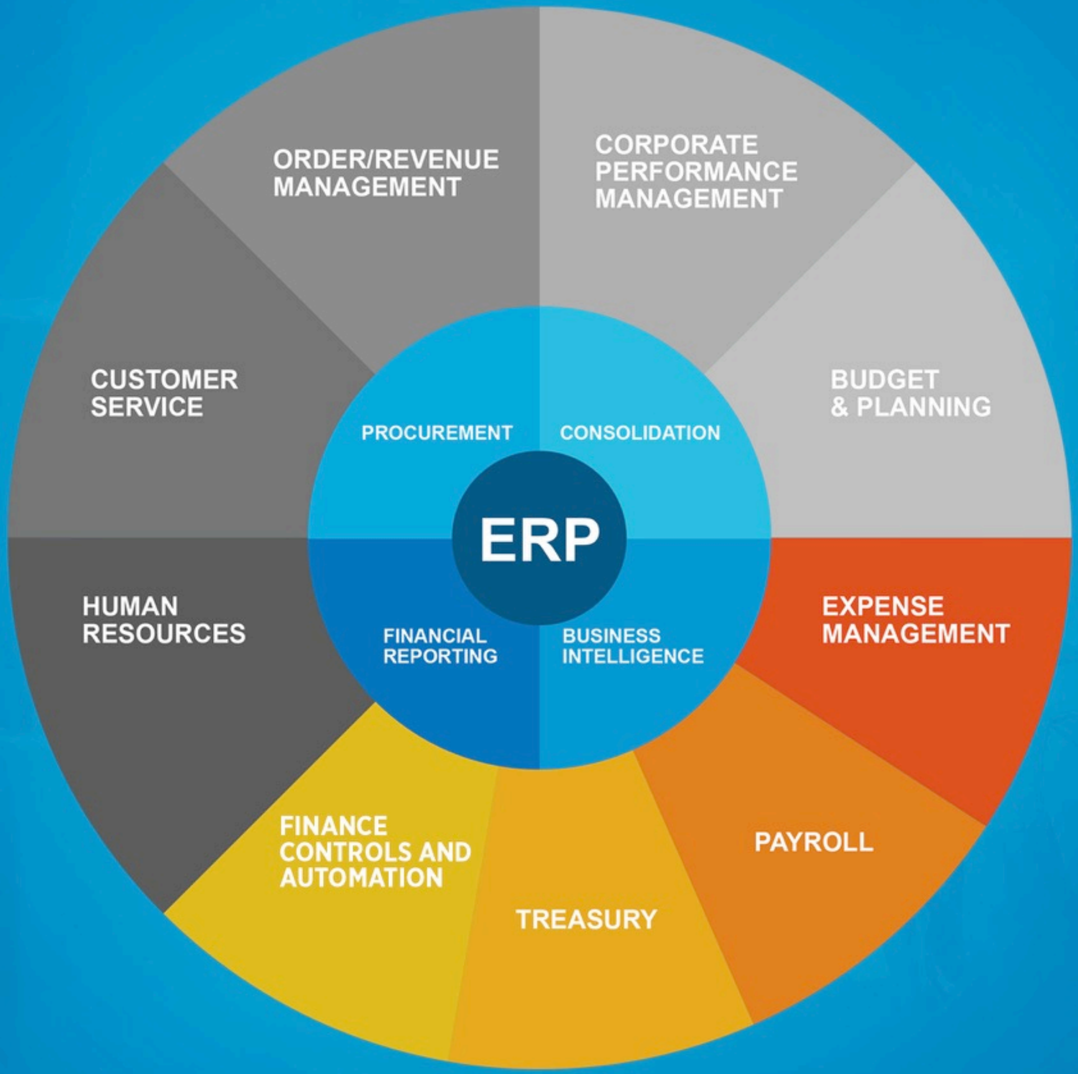
COMPETITIVE LANDSCAPE

BLACKLINE

- Market Pioneer
- 100% SaaS-based platform
- ERP agnostic
- Highly scalable and configurable

STATUS QUO	Excel		
POINT SOLUTIONS	Trintech		
ERPs	SAP	→	BLACKLINE SolEx (Solution Extension)
	NETSUITE	→	BLACKLINE
	ORACLE	→	Hyperion
	OTHER ERP VENDORS	→	*NO CORE OFFERING*

ERPs PROVIDE A LOT OF FUNCTIONALITY



"BEST OF BREED" PROVIDE SUPERIOR SOLUTIONS

BLACKLINE
FINANCIALS

FINANCIAL HIGHLIGHTS

High Growth Subscription Model

30%

FY'18 REVENUE GROWTH[1]
(vs. FY 2017)

Strong secular tailwinds, early stages in a large market, new customers and expansion within existing customer base

Compelling Expansion Model

108%

DOLLAR-BASED NET REVENUE RETENTION AT 12/31/2018

High predictability from successful land and expand strategy

High Gross Margins

82%

FY'18 GROSS MARGIN
(NON-GAAP)

95% SaaS recurring revenue

DEMONSTRATED OPERATING LEVERAGE

2%

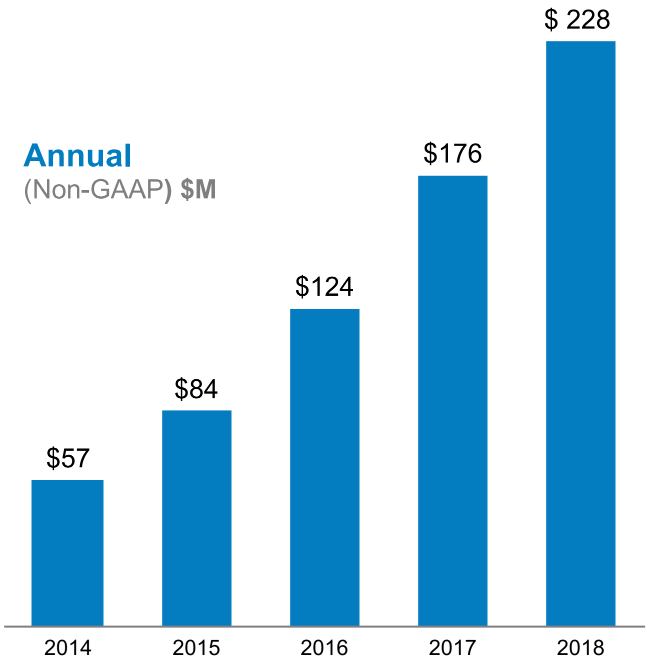
FY'18 OPERATING MARGIN
(NON-GAAP)

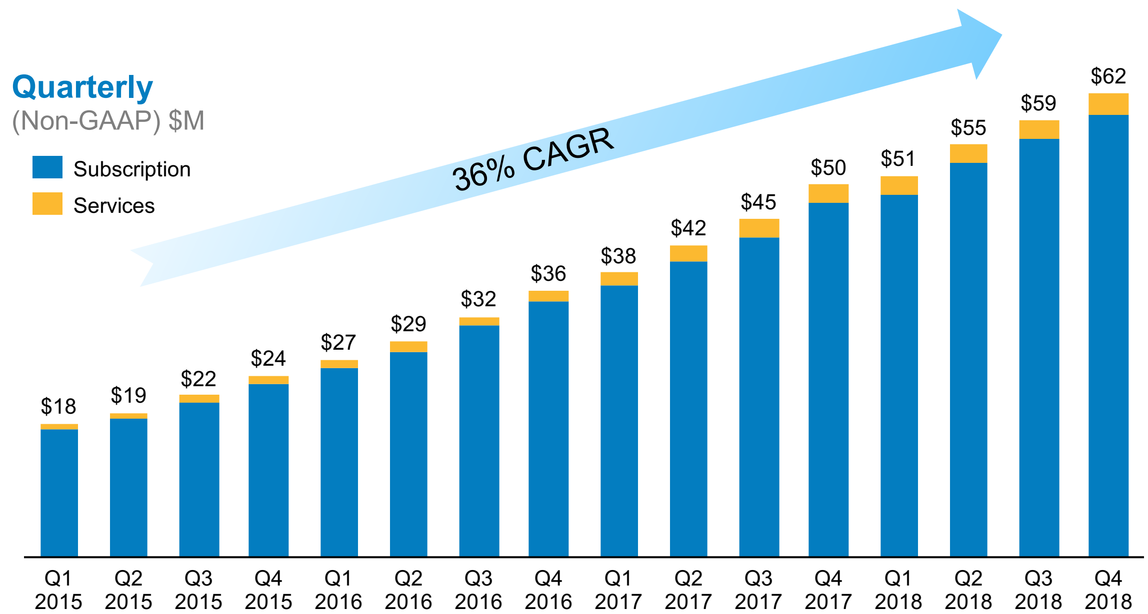
Operating leverage driving profitability

See Appendix for GAAP financial measures and reconciliations.

[1] Non-GAAP Revenue growth rate/ ASC 606 standard

CONSISTENT SUBSCRIPTION REVENUE GROWTH





2017, 2018 Revenue under ASC 606 standard/ Prior periods are under ASC 605 standard.

See Appendix for GAAP financial measures and reconciliations.

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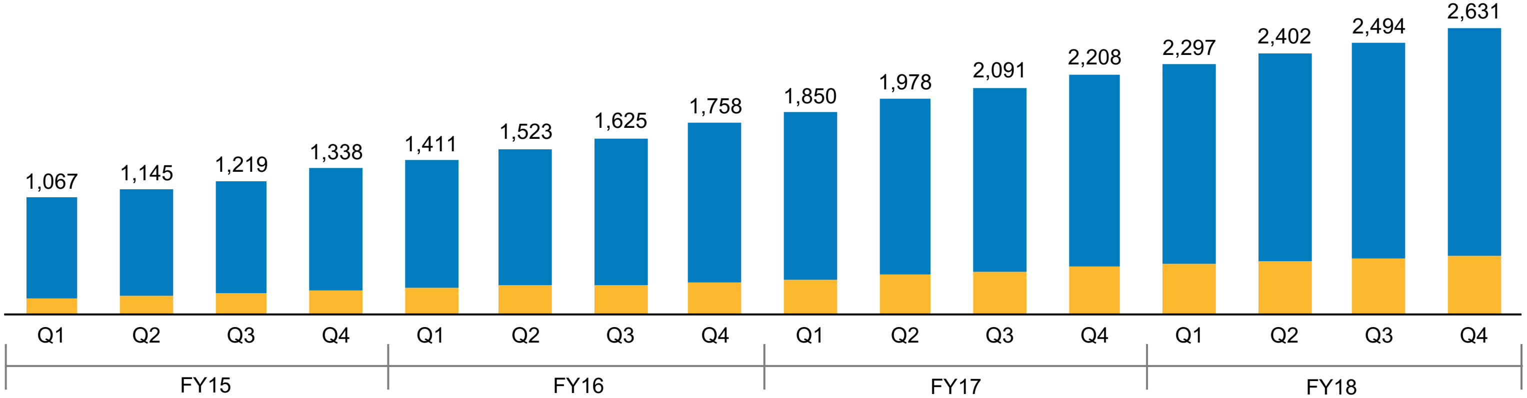
STRONG GLOBAL CUSTOMER & USER GROWTH

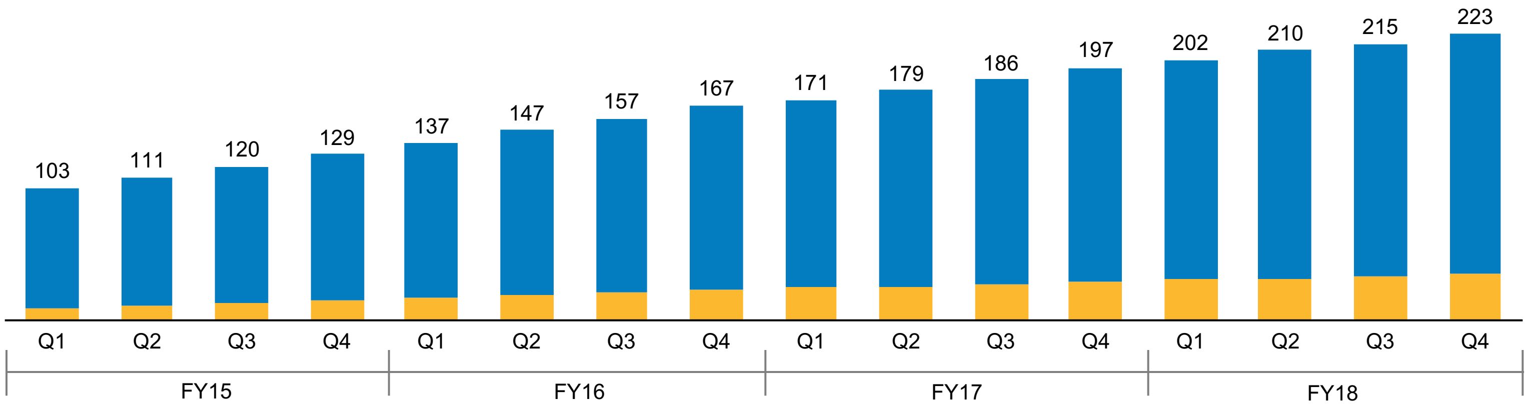
Customers

25% CAGR



Users 000's

21% CAGR

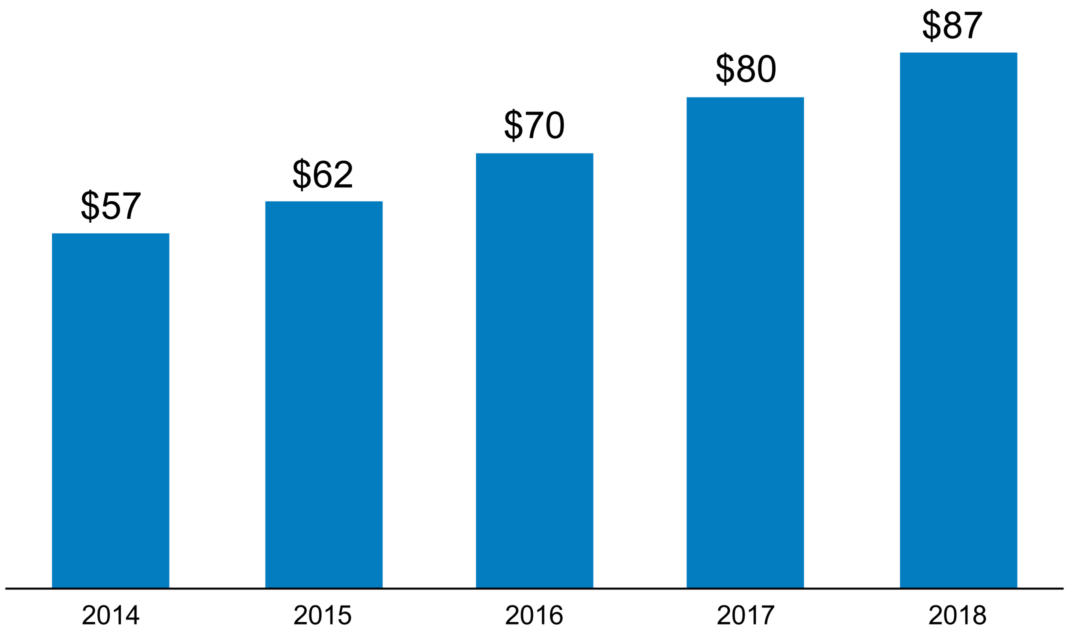


US INTERNATIONAL

BLACKLINE

INCREASING AVERAGE REVENUE PER CUSTOMER

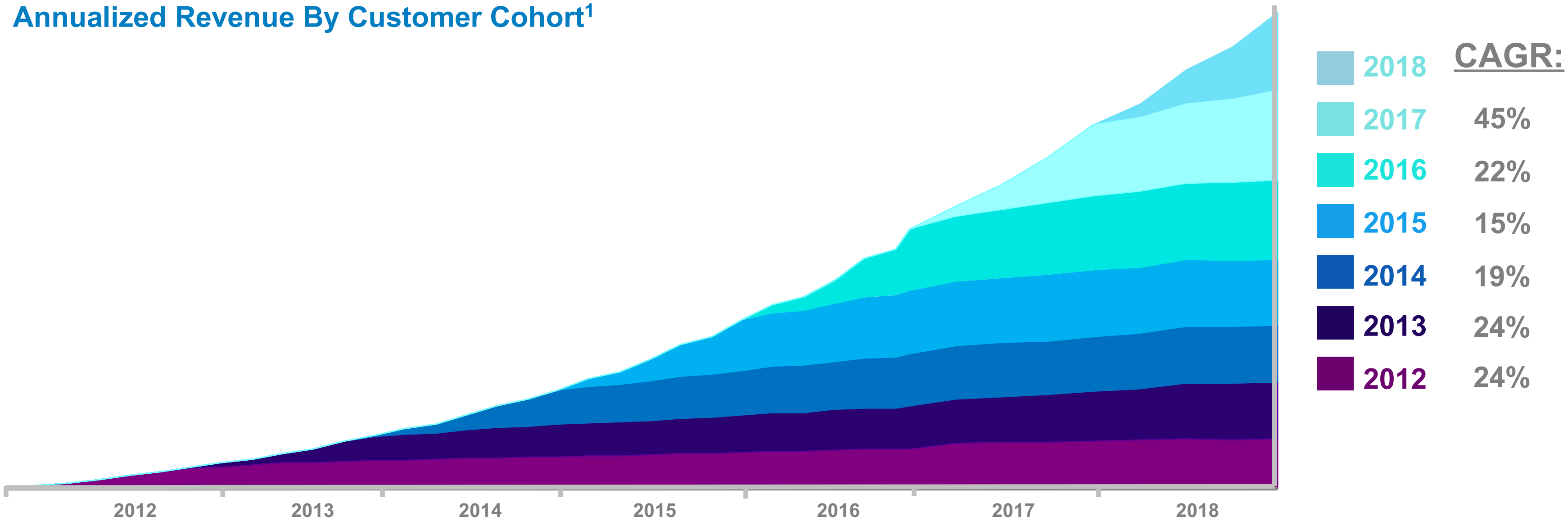
Average Revenue Per Customer - Total
(Non-GAAP) $000's



Revenue per customer calculated as the non-GAAP revenue in a given period divided by the number of customers at the end of the period. See Appendix for GAAP financial measures and reconciliations/ 2017, 2018 Revenue under ASC 606 standard. All other periods are under ASC 605 standard.

COMPELLING LAND AND EXPAND MODEL

Annualized Revenue By Customer Cohort[1]

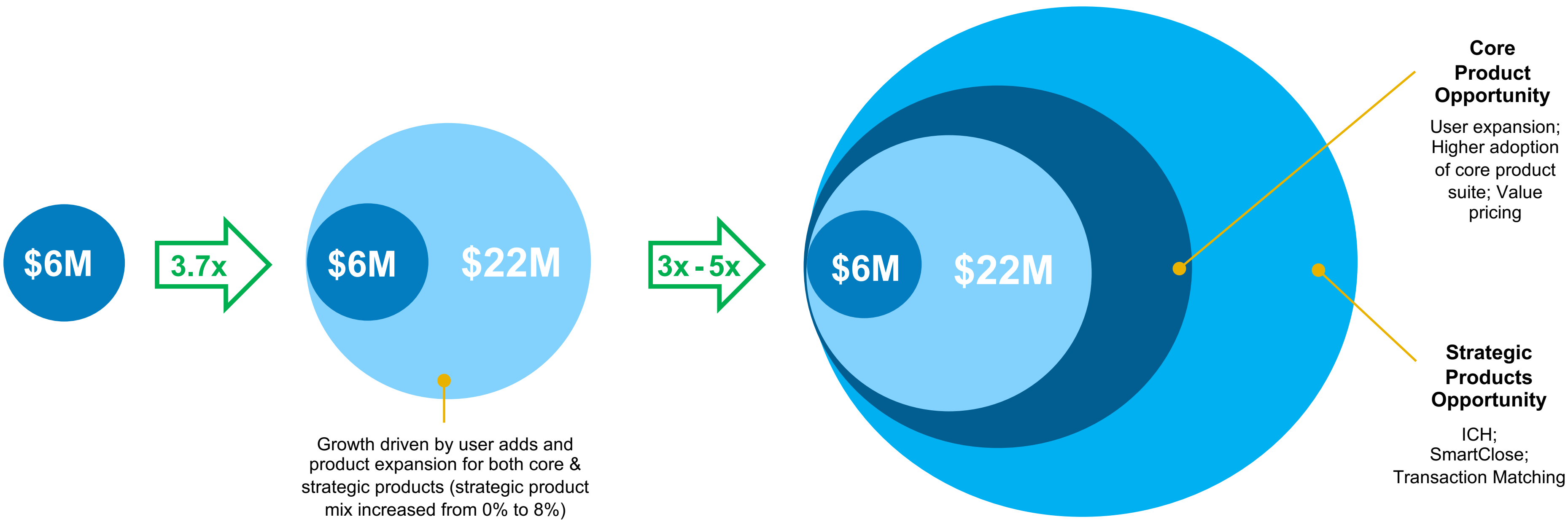


1 Reflects annualized subscription and support revenue for the group of customers that became our customers in each respective cohort year. A "cohort" is a grouping of customers by the year specified. For instance, the 2012 cohort includes all customers whose contract start date is between January 1, 2012 and December 31, 2012. We calculate annualized subscription and support revenue at a particular date as the total amount of minimum subscription and support revenue contractually committed under each of our customer agreements for that month through the remaining term of the agreement, divided by the remaining number of months in the term of the agreement, multiplied by twelve.

2 We calculate initial annualized subscription and support revenue for any given cohort year as the sum of annualized subscription and support revenue as of the first month of each customer agreement that was entered into within that given cohort year. Accordingly, in contrast to annualized subscription and support revenue, initial annualized subscription and support revenue does not reflect any changes in the payments due under or the duration of customer agreements following the first month of the customer agreement. Our annualized subscription and support revenue as of December 31, 2018 for each of our 2012, 2013, 2014, 2015, 2016, 2017, and 2018 customer cohorts represented an increase over the initial annualized subscription and support revenue for such customer cohorts, shown as the "CAGR" above.

OPPORTUNITIES TO EXPAND RELATIONSHIPS WITH CUSTOMERS

Initial | Current | Opportunity



2012 Customer Cohort | ***FINANCE DIGITAL TRANSFORMATION***

Annualized subscription and support revenue

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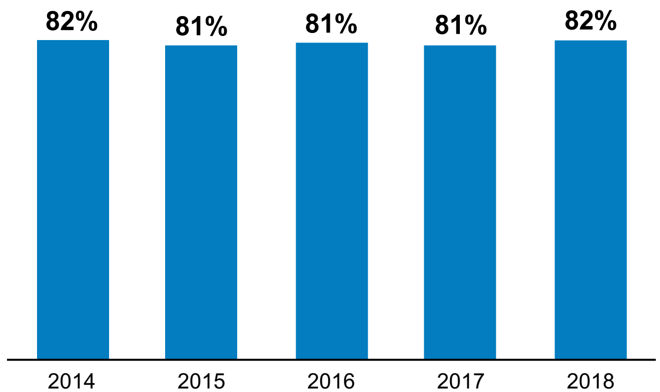
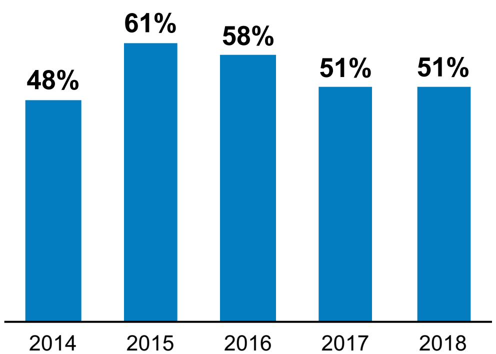
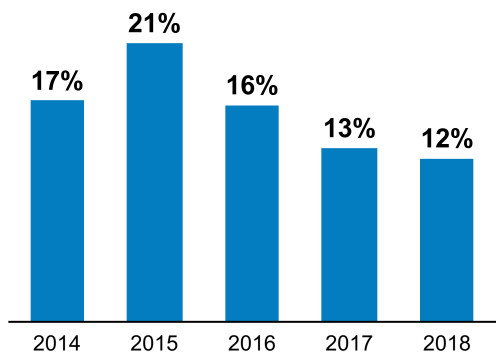
STRONG GROSS MARGIN & DEMONSTRATED OPERATING LEVERAGE

Gross Margin
(Non-GAAP)

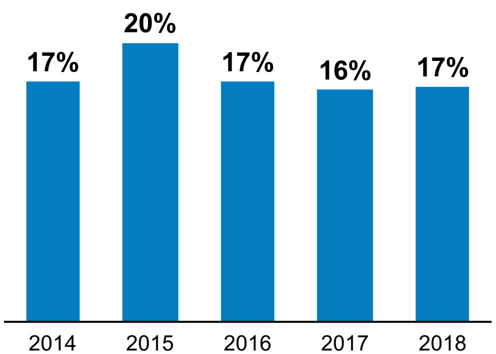




Sales & Marketing Expense
(% of Non-GAAP Revenue)



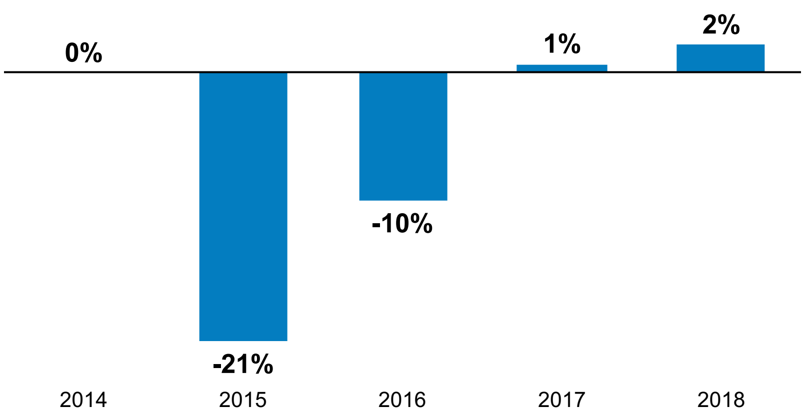
Research & Development Expense
(% of Non-GAAP Revenue)



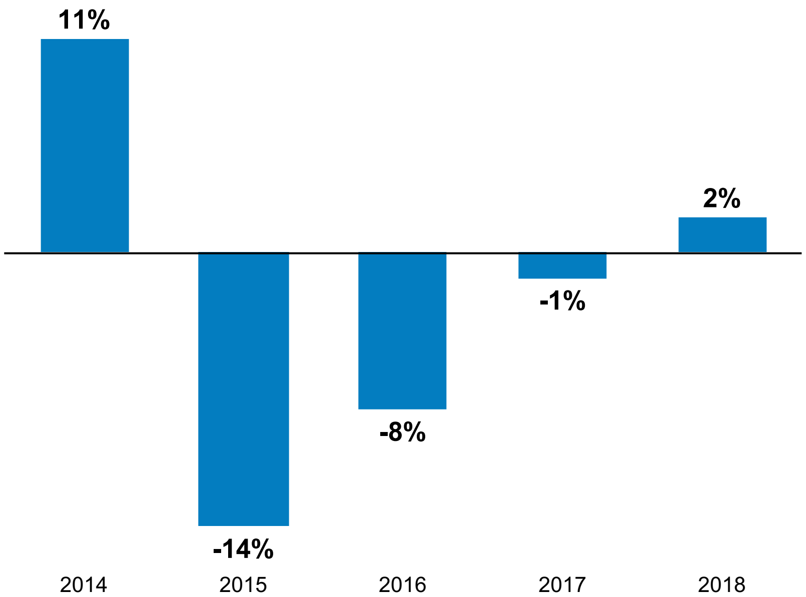
General & Administrative Expense
(% of Non-GAAP Revenue)

2017, 2018 under ASC 606 standard/ Prior periods are under ASC 605 standard. See Appendix for GAAP financial measures and reconciliations.

DEMONSTRATED OPERATING LEVERAGE DRIVING PROFITABILITY



Operating Income/(Loss) Margin
(% of Non-GAAP Revenue)



Free Cash Flow Margin
(% of Non-GAAP Revenue)

2017, 2018 under ASC 606 standard/ Prior periods are under ASC 605 standard. See Appendix for GAAP financial measures and reconciliations.

Free cash flow defined as cash flows from operating activities less capex. 2016 includes $6.4 million of preferred paid-in-kind interest from operating activity related to the prepayment of debt.

LONG-TERM TARGET MODEL

% of Non-GAAP Revenue	FY14	FY15	FY16	FY17	FY18	LT Target Model
Gross Margin	82%	81%	81%	81%	82%	~80%
S&M	48%	61%	58%	51%	51%	40% - 45%
R&D	17%	21%	16%	13%	12%	10% - 12%
G&A	17%	20%	17%	16%	17%	7% - 9%
Operating Margin	0%	-21%	-10%	1%	2%	20%+

2017, 2018 under ASC 606 standard/ Prior periods are under ASC 605 standard. See Appendix for GAAP financial measures and reconciliations.

GROWTH STRATEGY

1 INTERNATIONAL EXPANSION

Grow footprint across Europe, South America, and Asia

2 LAND & EXPAND

Add new solutions, entities, and users for 2,600+ customers

3 FOCUS ON MID-MARKET

Deliver finance automation to this large, underserved, and high-growth market

4 EXTEND OUR ECOSYSTEM

Build new ERP, BPO, Channel, and Consulting partnerships

5 INNOVATE CONTINUOUSLY

Build new products to automate accounting everywhere

BUILDING FOR THE FUTURE

2016

- More full-platform customer successes
- Stratification of ENT & MM
- Monetize the Installed Base
- Globalization – Delivering on internal expansion
- Build and improve internal communication

2017

- Enhance the customer journey
- Tailor S&M initiatives by geography
- Pursue larger deals
- Focus on new strategic products
- Enhance BlackLine's platform and products

2018

- Be the model for CX
- Execute an effective and united GTM strategy
- Maintain our people and customer centric culture
- Be the partner for Finance Transformation

2019

- Be the model for CX
- Maintain our people and customer centric culture
- Whole Product Offering

BLACKLINE HIGHLIGHTS

- **Modernizing Accounting and Finance with 100% SaaS-Based Platform**
- **Award Winning Solutions with Strong Culture of Innovation**
- **Global, Diverse Customer Base with Demonstrated Expansion Opportunities**

30% FY2018 REVENUE GROWTH[1]	**108%** DOLLAR-BASED NET REVENUE RETENTION (at 12/31/2018)	**~$18B** TOTAL CORE ADDRESSABLE MARKET[2]

[1] Non-GAAP Revenue growth rate on ASC 606 standard
[2] Source: Frost and Sullivan/ 2018 TAM for Core Products

APPENDIX MATERIALS

NON-GAAP RECONCILIATIONS AND DEFINITIONS
NON-GAAP REVENUE, NON-GAAP GROSS PROFIT, AND FREE CASH FLOW ($ IN 000'S)

	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	2014	2015	2016	2017	2018
Non-GAAP Revenues																					
GAAP Revenues	$18,047	$19,425	$21,661	$24,474	$26,561	$29,026	$32,196	$35,340	$38,181	$41,981	$45,424	$50,017	$51,284	$55,454	$58,734	$62,316	$51,677	$83,607	$123,123	$175,603	$227,788
Purchase Accounting Adjustment to Revenue	-	-	-	-	-	-	179	537	-	-	-	-	-	-	-	-	4,952	-	716	-	-
Total Non-GAAP Revenues	$18,047	$19,425	$21,661	$24,474	$26,561	$29,026	$32,375	$35,877	$38,181	$41,981	$45,424	$50,017	$51,284	$55,454	$58,734	$62,316	$56,629	$83,607	$123,839	$175,603	$227,788
Non-GAAP Gross Profit																					
GAAP Gross Profit	$13,094	$13,939	$15,718	$18,127	$19,621	$21,963	$24,655	$26,673	$ 28,971	$ 31,624	$ 34,553	$ 39,070	$ 39,678	$ 43,588	$ 45,217	$ 48,431	$35,079	$60,878	$92,912	$134,218	$176,914
Purchase Accounting Adjustment to Revenue	-	-	-	-	-	-	179	537	-	-	-	-	-	-	-	-	4,952	-	716	-	-
Amortization of Developed Technology	1,534	1,535	1,535	1,535	1,534	1,535	1,595	1,704	1,704	1,713	1,716	1,714	1,715	1,708	1,721	1,719	6,139	6,139	6,368	6,847	6,863
Stock-Based Compensation Expense	87	138	126	115	141	134	150	290	250	271	334	294	838	682	869	876	249	466	715	1,149	3,265
Total Non-GAAP Gross Profit	$14,715	$15,612	$17,379	$19,777	$21,296	$23,632	$26,579	$29,204	$30,925	$33,608	$36,603	$41,078	$42,231	$45,978	$47,807	$51,026	$46,419	$67,483	$100,711	$142,214	$187,042
Free Cash Flow																					
Cash flows from operating activities	($793)	($589)	$1,232	$1,156	($4,651)	$1,561	$4,139	($5,857)	$ (1,705)	$ 1,872	$ 3,507	$ 2,750	$ 1,822	$ 4,681	$ 4,814	$ 4,823	$8,943	$1,006	($4,808)	$6,424	$16,140
Capitalized software development costs	(507)	(352)	(647)	(767)	(807)	(665)	(854)	(944)	(1,083)	(900)	(1,362)	(1,279)	(1,653)	(1,460)	(1,527)	(1,035)	(1,437)	(2,273)	(3,270)	(4,624)	(5,675)
Purchase of property and equipment	(2,356)	(2,848)	(2,142)	(2,748)	(409)	(493)	(406)	(416)	(488)	(630)	(2,611)	(273)	(1,634)	(2,062)	(892)	(1,696)	(1,429)	(10,094)	(1,724)	(4,002)	(6,284)
Free Cash Flow	($3,656)	($3,789)	($1,557)	($2,359)	($5,867)	$403	$2,879	($7,217)	($3,276)	$342	($466)	$1,198	($1,465)	$1,159	$2,395	$2,092	$6,077	($11,361)	($9,802)	($2,202)	$4,181

"ACQUISITION" DEFINITION

We operated as BlackLine Systems, Inc., which we refer to as the "Predecessor," from 2001 until September 2013. On September 3, 2013, BlackLine, Inc., which we refer to as the "Successor," acquired BlackLine Systems, Inc. in connection with an investment by Silver Lake Sumeru and Iconiq, which we refer to as the "Acquisition." The Successor was created for the sole purpose of acquiring the Predecessor and had no prior operations. We refer to Silver Lake Sumeru and Iconiq collectively as our "Investors" and, in connection with the Acquisition, our Investors obtained a controlling interest in us. The Acquisition resulted in a new basis of accounting and was accounted for as a business combination.

2016 GAAP revenues were adjusted for the impact of purchase accounting resulting from the Runbook Acquisition on August 31, 2016. The purchase accounting adjustments for the quarters after December 31, 2016 related to the Runbook Acquisition are not meaningful and are thus not presented.

2017, 2018 under ASC 606 standard. All prior periods are based on ASC 605 standard.

BLACKLINE

NON-GAAP RECONCILIATIONS
NON-GAAP OPERATING INCOME (LOSS) AND NON-GAAP NET INCOME (LOSS) ($ IN 000'S)

	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	2014	2015	2016	2017	2018
Non-GAAP Income (Loss) from Operations																					
GAAP Loss from Operations	($5,937)	($9,070)	($9,842)	($9,963)	($9,799)	($8,259)	($7,167)	($8,709)	$ (7,050)	$ (6,843)	$ (12,298)	$ (4,218)	$ (7,560)	$ (8,831)	$ (5,021)	$ (8,424)	($18,179)	($34,812)	($33,934)	($30,409)	$ (29,836)
Purchase Accounting Adjustment to Revenue	-	-	-	-	-	-	179	537	-	-	-	-	-	-	-	-	4,952	-	716	-	-
Amortization of Acquired Intangible Assets	3,023	3,023	3,023	3,023	3,023	3,023	3,138	3,321	3,330	3,333	3,325	3,322	3,323	3,312	3,305	3,083	12,092	12,092	12,505	13,310	13,023
Stock-Based Compensation Expense	788	1,522	1,560	1,627	1,625	1,549	1,360	1,992	1,849	1,987	9,115	3,093	3,974	5,393	5,340	6,188	2,017	5,497	6,526	16,044	20,895
Change in Fair of Contingent Consideration	13	13	13	2	62	81	135	93	93	96	178	261	112	78	97	163	(781)	41	371	628	450
Acquisition-Related Costs	-	-	-	-	-	-	1,372	210	-	-	-	-	-	-	-	-	-	-	1,582	-	-
Compensation costs for payments to stock option holders in association with the Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Secondary offering costs	-	-	-	-	-	-	-	-	-	809	-	-	-	-	-	-	-	-	-	809	-
Shelf offering costs	-	-	-	-	-	-	-	-	-	-	-	818	177	224	-	-	-	-	-	818	401
Total Non-GAAP Income (Loss) From Operations	($2,113)	($4,512)	($5,246)	($5,311)	($5,089)	($3,606)	($983)	($2,556)	($1,778)	($618)	$320	$3,276	$26	$176	$3,721	$1,010	$101	($17,182)	($12,234)	$1,200	$4,933

	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	2014	2015	2016	2017	2018
Non-GAAP Net Income (Loss) attributable to BlackLine																					
Net income (loss) attributable to BlackLine	($4,254)	($6,538)	($6,735)	($7,207)	($9,335)	($7,541)	($6,619)	($15,664)	$ (7,685)	$ (9,126)	$ (12,074)	$ (4,166)	$ (7,155)	$ (8,457)	$ (4,460)	$ (7,732)	($16,752)	($24,734)	($39,159)	($33,051)	($27,804)
Provision for (benefit from) Income Taxes	(2,447)	(3,704)	(3,824)	(3,959)	(1,402)	(1,493)	(1,926)	(2,135)	(235)	43	(258)	(61)	(125)	(65)	(137)	(213)	(8,282)	(13,934)	(6,956)	(511)	(540)
Secondary offering costs	-	-	-	-	-	-	-	-	-	809	-	-	-	-	-	-	-	-	-	809	-
Shelf offering costs	-	-	-	-	-	-	-	-	-	-	-	818	177	224	-	-	-	-	-	818	401
Stock-Based Compensation Expense	788	1,522	1,560	1,627	1,625	1,549	1,360	1,992	1,849	1,987	9,115	3,093	3,974	5,393	5,340	6,188	2,017	5,497	6,526	16,044	20,895
Amortization of Acquired Intangible Assets	3,023	3,023	3,023	3,023	3,023	3,023	3,138	3,321	3,330	3,333	3,325	3,322	3,323	3,312	3,305	3,083	12,092	12,092	12,505	13,310	13,023
Accretion of Debt Discount	57	57	57	57	65	81	96	1,061	-	-	-	-	-	-	-	-	228	228	1,303	-	-
Accretion of Warrant Discount	69	69	69	69	69	69	69	547	-	-	-	-	-	-	-	-	276	276	754	-	-
Purchase Accounting Adjustment to Revenue	-	-	-	-	-	-	179	537	-	-	-	-	-	-	-	-	4,952	-	716	-	-
Change in Fair Value of Contingent Consideration	13	13	13	2	62	81	135	93	93	96	178	261	112	78	97	163	(781)	41	371	628	450
Change in Fair Value of Common Stock Warrant Liability	(30)	280	(80)	250	-	(300)	-	6,180	1,000	2,490	-	-	-	-	-	-	3,700	420	5,880	3,490	-
Acquisition-Related Costs	-	-	-	-	-	-	1,372	210	-	-	-	-	-	-	-	-	-	-	1,582	-	-
Total Non-GAAP Net Income (Loss) attributable to Blac	($2,781)	($5,278)	($5,917)	($6,138)	($5,893)	($4,531)	($2,196)	($3,858)	($1,648)	($368)	$286	$3,267	$306	$485	$4,145	$1,489	($2,550)	($20,114)	($16,478)	$1,537	$6,425

2017, 2018 under ASC 606 standard. All prior periods are based on ASC 605 standard.

BLACKLINE

NON-GAAP RECONCILIATIONS
NON-GAAP S&M, NON-GAAP R&D, NON-GAAP G&A ($ IN 000'S)

	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	2014	2015	2016	2017	2018
GAAP Sales and Marketing Expense	$11,657	$13,297	$14,740	$16,852	$18,169	$19,073	$19,037	$21,531	$ 21,820	$ 23,992	$ 32,048	$ 26,107	$ 29,227	$ 32,150	$ 31,709	$ 35,722	$31,837	$56,546	$77,810	$103,967	$ 128,808
Amortization of Intangible Assets	872	872	872	871	872	872	896	965	965	968	970	969	969	966	987	965	3,487	3,487	3,605	3,872	3,887
Stock-Based Compensation Expense	463	682	602	671	672	661	501	656	660	748	7,761	1,642	1,437	2,308	2,182	2,747	1,059	2,418	2,490	10,811	8,674
Non-GAAP Sales and Marketing Expense	$10,322	$11,743	$13,266	$15,310	$16,625	$17,540	$17,640	$19,910	$20,195	$22,276	$23,317	$23,496	$26,821	$28,876	$28,540	$32,010	$27,291	$50,641	$71,715	$89,284	$116,247
GAAP Research and Development Expense	$3,569	$4,465	$4,904	$5,278	$5,272	$5,193	$5,087	$5,573	$ 5,948	$ 6,009	$ 5,883	$ 6,034	$ 6,929	$ 7,811	$ 7,261	$ 8,753	$9,705	$18,216	$21,125	$23,874	$30,754
Stock-Based Compensation Expense	89	171	160	168	161	173	198	277	83	215	236	233	429	675	651	815	229	588	809	767	2,570
Non-GAAP Research and Development Expense	$3,480	$4,294	$4,744	$5,110	$5,111	$5,020	$4,889	$5,296	$5,865	$5,794	$5,647	$5,801	$6,500	$7,136	$6,610	$7,938	$9,476	$17,628	$20,316	$23,107	$28,184
GAAP General and Administrative Expense	$3,805	$5,247	$5,916	$5,960	$5,979	$5,956	$7,698	$8,278	$ 8,253	$ 8,466	$ 8,920	$ 11,147	$ 11,082	$ 12,458	$ 11,268	$ 12,380	$11,716	$20,928	$27,911	$36,786	$47,188
Amortization of Intangible Assets	617	616	616	617	617	616	647	652	661	652	639	639	639	638	597	399	2,466	2,466	2,532	2,591	2,273
Stock-Based Compensation Expense	149	531	672	673	651	581	511	769	856	753	784	924	1,270	1,728	1,638	1,750	480	2,025	2,512	3,317	6,386
Change in Fair Value of Contingent Consideration	13	13	13	2	62	81	135	93	93	96	178	261	112	78	97	163	(781)	41	371	628	450
Acquisition Related Costs	-	-	-	-	-	-	1,372	210	-	-	-	-	-	-	-	-	-	-	1,582	-	-
Secondary offering Costs	-	-	-	-	-	-	-	-	-	809	-	-	-	-	-	-	-	-	-	809	-
Shelf offering Costs				-	-	-	-	-	-	-	-	818	177	224	-	-	-	-	-	818	401
Non-GAAP General and Administrative Expense	$3,026	$4,087	$4,615	$4,668	$4,649	$4,678	$5,033	$6,554	$6,643	$6,156	$7,319	$8,505	$8,884	$9,790	$8,936	$10,068	$9,551	$16,396	$20,914	$28,623	$37,678

2017, 2018 under ASC 606 standard. All prior periods are based on ASC 605 standard.

BLACKLINE

SAP PARTNERSHIP – IMPACT OF SOLEX

Key Area	Endorsed Business Solution (EBS)	Solution Extension (SolEx)	Impact
Sales Process, Opportunity	Led by BlackLine and limited to our reach / markets	Led by SAP globally, with high-touch from BlackLine	Expanded global footprint Better access to SAP client base Move into bigger IT budgets
SAP Sales Incentives	Tied to value of BlackLine fee payments	Tied to full deal value	Fully incentivized SAP & BlackLine Sales Forces
BlackLine Revenue, Gross Margin	Revenue recorded at 100% of deal value	Revenue recorded net for SAP-led new business Revenue recognition unchanged for prior EBS customers	Expect no impact to gross margin
Sales & Marketing Expenses	Includes amortization of perpetual fee payments to SAP for BlackLine customers subject to EBS	BlackLine pays no fees to SAP for SolEx deals; existing EBS fee amortization winds down	Frees up S&M dollars to invest in growth
Key Metrics (customers, users, etc.)	Same as non-SAP ERP customers	SolEx customers, users included in BlackLine metrics. Billings & revenue-based metrics reflect BlackLine net deal value	No impact to definition of key metrics

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